

Leadership for the 21st Century

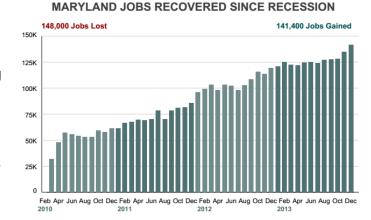
Governor Martin O'Malley • Lt. Governor Anthony Brown



Opportunity: Jobs

Creating jobs and expanding middle class opportunity has always been the North Star of this Administration.

- Under the O'Malley-Brown Administration,
 Maryland has nearly reached its goal of recovering
 all of the jobs lost during the national recession.
 Maryland entered 2014 having recovered 95% of
 jobs lost during the recession.
- As of the January 1, 2014, Maryland led neighbors Pennsylvania and Virginia in job growth since the depths of the recession in February 2010.



 While still too high, Maryland's unemployment rate remains nearly 10% lower than the national rate at the end of 2013 (MD: 6.1%; US: 6.7%). Maryland's December unemployment rate of 6.1% was the lowest since December 2008.

The State is investing in its people – helping train them for the jobs of the 21st century economy and helping get unemployed Marylanders back to work.

- The O'Malley-Brown Administration set a goal to increase the number of Marylanders who receive skills training by 20%.
 We are <u>progressing towards that goal</u>, boosting the number of Marylanders who have completed skills trainings by 17.4%.
- Under Governor O'Malley, we increased the number of associate degrees awarded by community colleges by 33.6%.
- Just last year, Governor O'Malley proposed and signed the EARN bill (Employment Advancement Right Now), which ensures that we're training workers for the jobs that employers are actually looking to fill. The law provides funding for workforce training collaborations between businesses, local government, and educational partners, including high schools and community colleges.

Maryland has an obligation to take care of those who served our nation. The O'Malley Administration made the full employment of Maryland veterans a top priority.

- In 2013 Governor O'Malley proposed and signed the <u>Veterans Full Employment Act</u>, ensuring veterans receive the full credit they deserve for their military training, education, and experience -both from licensing boards and institutions of higher learning.
- The O'Malley-Brown Administration set a strategic goal to reach full employment for Maryland veterans. While we still have work to do, we increased the number of veterans placed into jobs by One-Stop Career Centers by 5.3%.

The O'Malley-Brown Administration has worked to expand opportunity in other ways as well.

- Governor O'Malley is rewarding hard work and helping families move out of poverty. In 2007, the Administration expanded the Earned Income Tax Credit from 20% to 25% of the federal credit. This year, the Governor is calling on the legislature to increase the minimum wage to \$10.10, which will give a raise to 455,000 workers.
- Last year, Maryland moved more people from welfare
 to work than at any point in the state's history of the
 12,504 who moved from welfare to work, 27% of them
 were placed in jobs paying \$10/hour or higher.
- Maryland is creating jobs and making the state more
 attractive to businesses by investing more than ever in transportation infrastructure. Last year
 Maryland passed the Transportation Infrastructure Investment Act of 2013, which will invest \$4.4
 billion over six years for highways, bridges, and mass transit projects, and create more than
 57,200 jobs.



The U.S. Chamber of Commerce has ranked Maryland #1 in the nation for innovation and entrepreneurship for two years in a row.

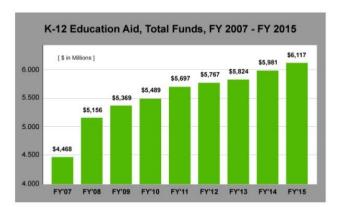
- Governor O'Malley is looking to invest even more to spur innovation and create a 21st century economy. This year's budget includes \$12 million for the Biotech Tax Credit; \$4 million for the Cyber Tax Credit; and \$9 million for the R&D Tax Credit.
- The O'Malley-Brown Administration strengthened Maryland's venture capital climate by launching <u>InvestMaryland</u>. Through an online tax credit auction in March 2012, <u>InvestMaryland</u> raised \$84 million in venture capital dollars, which can leverage up to 5 to 10 times that amount in private equity dollars. These funds will be invested to foster and grow innovative, job-creating companies here in Maryland.
- The O'Malley-Brown Administration has worked hard to foster opportunity for all Marylanders. Maryland set the most ambitious goal in the country for minority and women-owned business participation. In 2012, we achieved this goal, and then set an even higher goal.



 Maryland has also fostered opportunity for Hispanic Americans. In addition to passing the Maryland DREAM Act, Maryland in 2013 was #1 in the nation with the lowest unemployment rate for Hispanics.

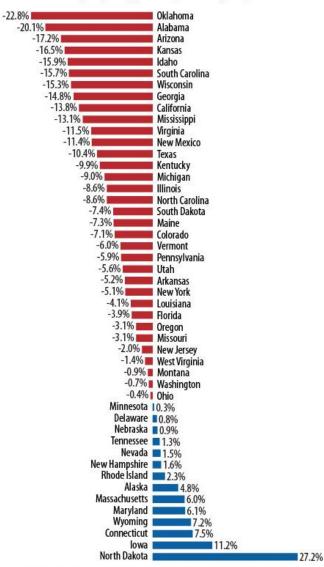
Opportunity: Schools

Maryland has always been blessed with excellent schools, but the need constantly to improve has always been a paramount mission for the O'Malley-Brown Administration.



- Even in the teeth of the recession, while many states were cutting education, Gov. O'Malley <u>invested record</u> <u>amounts in Maryland's public schools.</u>
- Maryland's investments are paying dividends:
 Education Week magazine <u>ranked Maryland's public schools #1 in America five years in a row</u>. In the magazine's 2014 report, Maryland earned the top state composite score for the sixth consecutive year, but Education Week did not rank state education systems.
- Maryland has <u>ranked #1 in AP performance for eight</u> <u>consecutive years</u>, according to the College Board.
- According to Education Week, Maryland is <u>one of only</u> five states that closed the poverty achievement gap by more than 5 percentage points over the past 10 years.

Percent change in spending per student, inflation-adjusted, FY08 to FY14



Sources: CBPP budget analysis and National Center for Education Statistics enrollment estimates.

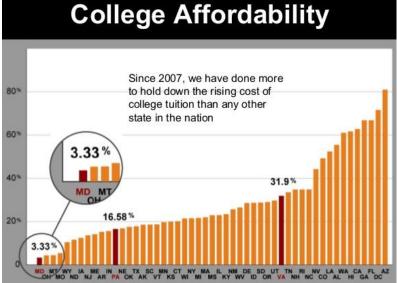


Working with educators and parents, we boosted academic performance in a number of key areas:

- We boosted the percentage of children entering kindergarten fully ready <u>by 37%</u>. <u>This year's budget includes \$4.3 million</u> to further increase pre-kindergarten opportunities.
- We improved middle school math and reading scores by nearly 20% since the 2005-2006 school year.
- Almost 30% (29.6%) of Maryland's class of 2013 achieved an
 AP Exam score of 3 or higher during their high school careers.
 This is double Maryland's rate in 2001 (14.8%) and <u>almost 50% higher than the 2013 national rate</u>
 of 20.1%.

Governor O'Malley made higher education a budget priority and froze tuition for four years in a row. College Board data shows that Maryland is #1 in the nation in keeping down college costs since 2007-2008.

- Under Governor O'Malley, Maryland has increased <u>STEM college graduates by</u> <u>37.1%</u>, and increased Bachelor's degrees awarded by 22.5%.
- The O'Malley-Brown Administration has been committed to keeping college affordable, and to giving students the skills and training they need to compete for 21st century jobs.



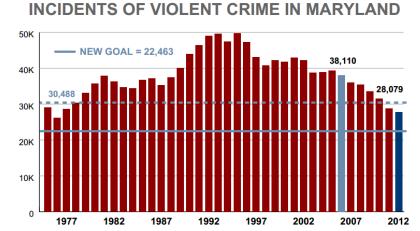




Public Safety

Improving public safety has been a hallmark of Governor O'Malley's career. As Mayor, Martin O'Malley and Baltimore City's law enforcement drove down total crime more than any big city in America.

- In 2013, Governor O'Malley signed legislation enacting <u>common-sense</u> <u>measures to reduce gun violence</u>, including a handgun qualification license requiring fingerprint background checks, an assault weapons ban, and a magazine capacity limit.
- Maryland's law enforcement efforts have reduced homicides 32% since 2006.



- At the same time, under Governor
 O'Malley, there are <u>fewer people incarcerated in Maryland's prisons today than at any time since</u>
 <u>1994</u>.
- In order to better protect Maryland families, the administration set a goal to <u>drive down female and juvenile homicides by 25%</u>, and the state is progressing towards the goal. Together with law enforcement, <u>we have driven down youth homicide by 44%</u> and reduced combined female and juvenile homicides by 23% since 2006.
- In 2007, Maryland launched the <u>Violence Prevention Initiative (VPI)</u>, a statewide program committed to driving down violent crime by using specific criteria to identify potentially violent, repeat offenders and subjecting them to enhanced supervision.
- The Department of Juvenile Services created its own VPI program focused on juveniles, which integrates intensive supervision and treatment services to prevent juvenile homicides, non-fatal shootings and victimization. The program was initiated in Baltimore City and subsequently expanded statewide.



Under Governor O'Malley, Maryland has driven down violent crime by 26.3% since 2006. Today, Maryland's violent crime is now at 30-year lows, despite population increasing more than 40% in the same time period.





Given Maryland's dense population and location in the national capital region, it is especially critical that the State possess nation-leading homeland security preparedness infrastructure and response capability. Governor O'Malley has made these local and national investments a priority. In 2009, Governor O'Malley set a goal to make Maryland a national leader in Homeland Security Preparedness by the end of 2012.

- Maryland is ranked among the top five states for public health preparedness according to an independent study by the Trust for America's Health.
- In 2012, 46% of Maryland was covered by a statewide interoperable radio system, including most of the state's critical infrastructure, with further implementation scheduled for 2014.
- Maryland has received a near-perfect score for the sixth year in a row on the U.S. Coast Guard's assessment of security at the Port of Baltimore's MPA terminals.

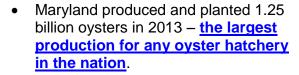


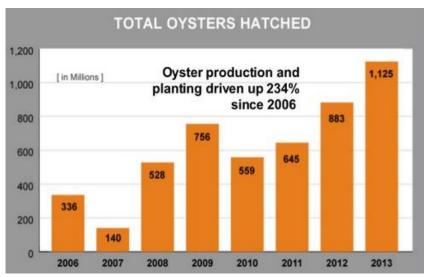


Sustainability

Under Governor O'Malley, Maryland has taken the strongest actions in decades to make the Chesapeake Bay cleaner and healthier, and this is making a difference for blue crabs and oysters.







- Maryland facilitated the planting of 415,437 acres of cover crops in 2013. While weather caused a slight decline in total acres from the record set in 2012, a record 1,617 farmers planted cover crops this year.
- Maryland is <u>consistently meeting its two-year milestones</u> to lower nitrogen and phosphorous nutrients from entering the watershed.

The number of spawning-age blue crab females increased by 52% in 2013.

Strong infrastructure creates Maryland jobs, helps the Maryland economy by efficiently moving goods and people, and makes Maryland an even more attractive place for businesses to invest. With the passage of the Transportation Infrastructure Investment Act, Maryland will invest billions of dollars more into infrastructure and public transportation.

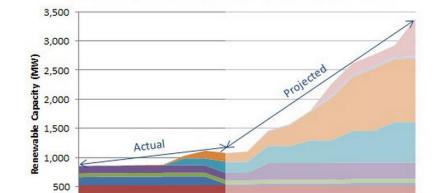
- Governor O'Malley set a goal of doubling transit ridership by the end of 2020. The state is progressing towards that goal, but still has work to do – as of FY14, we had increased the average weekday ridership by 14.3%, and weekday light rail ridership by 45.2% in the same time period.
- As part of the Transportation Infrastructure Investment Act, Governor O'Malley announced the beginning of weekend MARC train service between Baltimore and Washington, DC.



Governor O'Malley set a goal of transforming Maryland into a green economy leader of the future by creating thousands of new jobs in the renewable energy sector.

In State Renewable Capacity - 20% Goal

- Maryland set a goal to increase the instate renewable generation to 20% by 2022. Since 2007, we have grown the state's renewable energy generation by 39.5%, and we increased Maryland's total renewable generation capacity by 31%.
- We have boosted Maryland's solar industry tremendously since 2007, when it was nearly non-existent. In 2012, the solar industry produced 132 megawatts of electricity. The state is also poised to grow offshore wind generation.



■ Hydro ■ Other ■ BLQ ■ WTE ■ LBW ■ Solar ■ Animal Litter ■ OSW







Maryland met its peak energy reduction goal in 2012 by reducing peak energy by 10.8% compared to 2007.

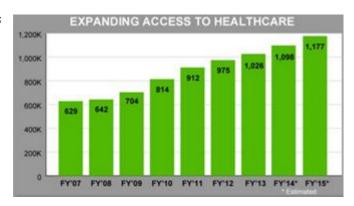
 In 2012, we had driven down greenhouse gas emissions by 8% as compared to the 2006 baseline year, and by 18% as compared to projections of where Maryland would have been if no actions to reduce emissions had been taken ("business as usual" projections).



Health

Thanks to the O'Malley-Brown Administration, Maryland is a healthier place than when the Governor came into office.

 Maryland is leading the nation in reducing health care costs. Maryland just implemented reforms to its all-payer hospital rate setting system that are designed to hold down costs. One health care expert called those reforms, "without any question, the boldest proposal in the United States in the last half century." [Kaiser Health



News, "Maryland's Bold Hospital Spending Plan Gets Federal Blessing," 1/10/14]

Governor O'Malley has set specific goals to measure the success of making Maryland a healthier place, outside of just insurance coverage.

- Maryland's primary childhood hunger goal is to ensure that at least 70% of children receiving a
 free/reduced school lunch are also receiving a free/reduced school breakfast by 2015. We have
 boosted school breakfast participation by more than 38% (the rate was 61.6% in October 2013, up
 from the 2007-2008 baseline of 44.6%).
- After achieving it's goal of <u>expanding substance abuse services by 25%</u>, the Administration has set a new goal: reduce overdose deaths by 20% by the end of 2015.
- Governor O'Malley set a goal of reducing preventable hospitalizations by 10% by the end of 2015.
 Already in its first year, Maryland drove down preventable hospitalizations by 11.9%, meeting its goal.

The Governor highlighted his goal of driving down the infant mortality rate in this year's State of the State speech because it showcases the Administration's commitment to setting goals, and getting results.

- In 2007, one of the goals Governor O'Malley publicly set was to drive down our infant mortality rate by 10%, by the end of 2012. By the end of 2012, we drove down Maryland's infant mortality rate by 21%.
- As the Governor said in the State of the State address "to set an even higher goal." So we have. To save even more lives, Maryland set a new goal of reducing the infant mortality rate by another 10%.

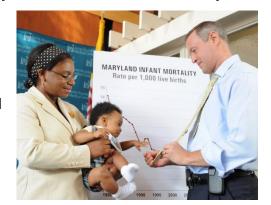
Under Governor O'Malley's leadership, Maryland has extended health care coverage to 453,000 people in the past seven years – many of them children.

Dignity

Governor O'Malley has strived to make Maryland a more just, equal, and free society. First and foremost, this ensures that all Marylanders are treated with the dignity and respect they deserve. And it also makes Maryland

an even more attractive place for businesses to invest because it enables businesses to attract top-flight talent.

- To ensure that the children of New American immigrants can realize their full potential, Governor O'Malley pushed for the Maryland <u>DREAM Act</u>, and ultimately signed it into law. Maryland voters affirmed the initiative at the ballot box by a vote of 58% to 42%.
- For the first time in 350 years, the state of Maryland officially recognized the native Piscataway people.



To protect the dignity of every child's home, and ensure equal rights under the law for all Marylanders, Governor O'Malley pushed for marriage equality, and ultimately signed it into law. Maryland voters affirmed that at the ballot box by a vote of 52.4% to 47.6%.

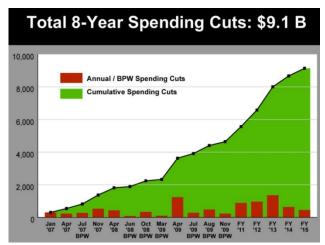
- To make the Maryland roadways safer and to help integrate Maryland's undocumented workforce,
 Maryland passed the Highway Safety act that allows undocumented workers to get a driver's license and car insurance.
- While other states around the nation push stricter voter ID laws designed to limit people's right to
 exercise the right to vote, Governor O'Malley has <u>made it easier for people to vote</u> by <u>expanding</u>
 early voting and same-day voter registration. In 2012, 16% of ballots cast came during early voting.
- Governor O'Malley is focused on doing the things that work. The death penalty was not a deterrent, it
 was not administered without racial bias, and it cost three times as much as life in prison without
 parole. What's more, there was no way to reverse a mistake if an innocent person is put to death. So
 under Governor O'Malley's leadership, Maryland repealed the Death Penalty and replaced it with life
 in prison without the possibility of parole.
- Governor O'Malley appointed the <u>first ever woman to be</u>
 <u>Chief Judge of Maryland's highest court</u>, and he named
 the first African-American female to serve on the court. That
 court, the Court of Appeals, now has a female majority for the
 first time in its history.



Fiscal Responsibility

All of these accomplishments have come during the national recession, which worsened the \$1.7 billion structural deficit Governor O'Malley inherited in 2007. Governor O'Malley has focused on fiscal responsibility, and his most recent budget puts the state on the verge of eliminating the structural deficit.

- The O'Malley-Brown Administration has <u>cut spending</u>
 <u>by a total of \$9.1 billion over the last 8 years</u> —
 more than any administration in modern Maryland history.
- Governor O'Malley shrank the size of government, abolishing 5,800 state positions since 2007. Under his leadership, the state's executive branch is the smallest it has been, per capita, since 1973.
- Under Gov. O'Malley, general fund budget growth
 has been held to its lowest level in a generation –
 2.2%, compared to 7.5% under the preceding governor.



Maryland is 1 of only 7 states to maintain an AAA rating from all three credit rating agencies throughout the recession.

- Unlike governors who either ignored pension system problems altogether, or who used problems with the pension system as an opening to attack public sector workers, Governor O'Malley reformed Maryland's retirement systems in a fiscally responsible way while not infringing on collective bargaining rights.
- Faced with \$35 billion in unfunded pension and benefit liabilities, Governor O'Malley implemented thoughtful reforms that restored the financial health of the pension system and reduced the unfunded liability of our retirees' health benefit system while protecting state

employee benefits and access to healthcare for our retirees.

